

Rules Governing Public School
Building Construction (Literary Fund)
8VAC20-380

~~8VAC 20-380-10. Maximum loan available from literary fund for school construction.~~

~~It is the policy of the Board of Education to assist localities in borrowing from the Literary Fund to the greatest extent feasible. The board recognized that it has the responsibility to assist as many localities as possible in borrowing from this source for capital projects for school construction. From time to time the board will continue to review its policies, procedures, and regulations in order to assist localities having projects qualifying for Literary Fund loans. A project is defined as capital construction for the purpose of erecting, altering, or enlarging a school. Therefore, the board establishes the maximum amount available for any single project loan at \$1,000,000.~~

~~8VAC 20-380-20. Rate of interest.~~

~~It further establishes the rate of interest for such loans at three percentum per year.~~

~~8VAC 20-380-30. Duration of loan.~~

~~Loans may be made for a period of not less than five years or more than 20 years.~~

~~**8VAC 20-380-40. Payment of outstanding balance when title to property is transferred.**~~

~~When a school board sells or transfers property on which there is an outstanding balance on a literary loan on said property, such balance becomes due and must be paid before title to the property is conveyed to the new owner. This provision, however, is not applicable when a court of competent jurisdiction decrees otherwise in an annexation settlement.~~

~~Application forms available from the Department of Education are subject to approval by the board.~~